



General Assembly

January Session, 2011

**Governor's Bill No. 6383**

LCO No. 3607

\* \_\_\_\_HB06383CE\_\_\_\_032211\_\_\_\_\*

Referred to Committee on Commerce

Introduced by:

REP. DONOVAN, 84<sup>th</sup> Dist.

REP. SHARKEY, 88<sup>th</sup> Dist.

SEN. WILLIAMS, 29<sup>th</sup> Dist.

SEN. LOONEY, 11<sup>th</sup> Dist.

**AN ACT CREATING AN ECONOMIC DEVELOPMENT GRANTS PROGRAM.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1      Section 1. (NEW) (*Effective July 1, 2011*) (a) The Commissioner of  
2      Economic and Community Development shall establish an economic  
3      development grants program to provide grants for the following  
4      programs and purposes:

5      (1) To develop a small business incubator program to entities  
6      operating incubator facilities, as defined in section 32-34 of the general  
7      statutes;

8      (2) To promote, retain and expand hydrogen and fuel cell industries  
9      in Connecticut;

10      (3) To promote supply chain integration and encourage the  
11      adoption of digital manufacturing and information technologies;

12       (4) To provide training for small and medium-sized businesses in  
13 high-performance work practices;

14       (5) To support the development of marine science, maritime and  
15 homeland security defense industries;

16       (6) To promote research innovation and nanotechnology; and

17       (7) To provide technical assistance to small business owners.

18       (b) The Department of Economic and Community Development  
19 may enter into an agreement, pursuant to chapter 55a of the general  
20 statutes, with a person, firm, corporation or other entity to operate the  
21 grants program developed pursuant to subsection (a) of this section.

22       (c) The commissioner shall prescribe the manner in which an entity  
23 shall submit an application for a grant awarded as part of the grants  
24 program developed pursuant to this section, provided such  
25 application procedure includes (1) a request for proposal, or (2) a  
26 competitive award process.

27       Sec. 2. Subsection (b) of section 32-235 of the general statutes is  
28 repealed and the following is substituted in lieu thereof (*Effective July*  
29 *1, 2011*):

30       (b) The proceeds of the sale of said bonds, to the extent of the  
31 amount stated in subsection (a) of this section, shall be used by the  
32 Department of Economic and Community Development (1) for the  
33 purposes of sections 32-220 to 32-234, inclusive, including economic  
34 cluster-related programs and activities, and for the Connecticut job  
35 training finance demonstration program pursuant to sections 32-23uu  
36 and 32-23vv provided, (A) three million dollars shall be used by said  
37 department solely for the purposes of section 32-23uu and not more  
38 than five million two hundred fifty thousand dollars of the amount  
39 stated in said subsection (a) may be used by said department for the  
40 purposes of section 31-3u, (B) not less than one million dollars shall be  
41 used for an educational technology grant to the deployment center

42 program and the nonprofit business consortium deployment center  
43 approved pursuant to section 32-41l, (C) not less than two million  
44 dollars shall be used by said department for the establishment of a  
45 pilot program to make grants to businesses in designated areas of the  
46 state for construction, renovation or improvement of small  
47 manufacturing facilities provided such grants are matched by the  
48 business, a municipality or another financing entity. The  
49 Commissioner of Economic and Community Development shall  
50 designate areas of the state where manufacturing is a substantial part  
51 of the local economy and shall make grants under such pilot program  
52 which are likely to produce a significant economic development  
53 benefit for the designated area, (D) five million dollars may be used by  
54 said department for the manufacturing competitiveness grants  
55 program, (E) one million dollars shall be used by said department for  
56 the purpose of a grant to the Connecticut Center for Advanced  
57 Technology, for the purposes of [section 32-237] subdivision (5) of  
58 subsection (a) of section 1 of this act, (F) fifty million dollars shall be  
59 used by said department for the purpose of grants to the United States  
60 Department of the Navy, the United States Department of Defense or  
61 eligible applicants for projects related to the enhancement of  
62 infrastructure for long-term, on-going naval operations at the United  
63 States Naval Submarine Base-New London, located in Groton, which  
64 will increase the military value of said base. Such projects shall not be  
65 subject to the provisions of sections 4a-60 and 4a-60a, (G) two million  
66 dollars shall be used by said department for the purpose of a grant to  
67 the Connecticut Center for Advanced Technology, Inc., for  
68 manufacturing initiatives, including aerospace and defense, and (H)  
69 two million dollars shall be used by said department for the purpose of  
70 a grant to companies adversely impacted by the construction at the  
71 Quinnipiac Bridge, where such grant may be used to offset the increase  
72 in costs of commercial overland transportation of goods or materials  
73 brought to the port of New Haven by ship or vessel, and (2) for the  
74 purposes of the small business assistance program established  
75 pursuant to section 32-9yy, provided fifteen million dollars shall be  
76 deposited in the small business assistance account established

77 pursuant to said section 32-9yy. The provisions of sections 32-220 to  
78 32-234, inclusive, shall not apply to such funds authorized pursuant to  
79 this subdivision.

80 Sec. 3. Section 32-356 of the general statutes is repealed and the  
81 following is substituted in lieu thereof (*Effective July 1, 2011*):

82 [(a) For purposes of this section, "incubator facilities" shall have the  
83 same meaning as incubator facilities in section 32-34.

84 (b) The Commissioner of Economic and Community Development  
85 shall establish the small business incubator program to provide grants  
86 to entities operating incubator facilities, as defined in section 32-34.  
87 The Department of Economic and Community Development may  
88 enter into an agreement, pursuant to chapter 55a, with a person, firm,  
89 corporation or other entity to operate such program. The department,  
90 or a program operator selected pursuant to this subsection, shall,  
91 subject to the availability of funds, operate a technology-based small  
92 business incubator program. In accordance with the written guidelines  
93 developed by the department, the department or program operator, if  
94 any, may provide grants to assist small businesses operating within  
95 incubator facilities. Grants made pursuant to this section shall be used  
96 by such entities to provide operating funds and related services,  
97 including business plan preparation, assistance in acquiring financing  
98 and management counseling.

99 (c) An entity shall submit an application for a grant pursuant to this  
100 section in the manner prescribed by the Commissioner of Economic  
101 and Community Development.]

102 [(d)] There is established an account to be known as the small  
103 business incubator account, which shall be a separate, nonlapsing  
104 account within the General Fund. The commissioner may use funds  
105 from the account to provide administrative expenses and grants  
106 [pursuant to this section] for the purposes of subdivision (1) of  
107 subsection (a) of section 1 of this act.

108 [(e) (1) There is established a Small Business Incubator Advisory  
 109 Board. Said board shall consist of: (A) The Commissioner of Economic  
 110 and Community Development; (B) the president of the Connecticut  
 111 Development Authority and the executive director of Connecticut  
 112 Innovations, Incorporated, as ex-officio nonvoting members, or their  
 113 designees; (C) one member to be appointed by the Governor; (D) two  
 114 members with experience in the field of technology transfer and  
 115 commercialization, to be appointed by the speaker of the House of  
 116 Representatives; (E) two members with experience in new product and  
 117 market development, to be appointed by the president pro tempore of  
 118 the Senate; (F) one member to be appointed by the majority leader of  
 119 the Senate; (G) one member to be appointed by the majority leader of  
 120 the House of Representatives; (H) one member with experience in seed  
 121 and early stage capital investment, to be appointed by the minority  
 122 leader of the House of Representatives; and (I) one member with  
 123 experience in seed and early stage capital investment, to be appointed  
 124 by the minority leader of the Senate. All initial appointments to said  
 125 board shall be made not later than September 1, 2007.

126 (2) The Commissioner of Economic and Community Development  
 127 shall schedule the first meeting of said board not later than October 15,  
 128 2007. Thereafter, the board shall meet at least once annually to evaluate  
 129 and recommend changes to the guidelines adopted pursuant to this  
 130 section.]

131 Sec. 4. Sections 32-9ww, 32-237 and 32-348 of the general statutes are  
 132 repealed. (*Effective July 1, 2011*)

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2011</i>	New section
Sec. 2	<i>July 1, 2011</i>	32-235(b)
Sec. 3	<i>July 1, 2011</i>	32-356
Sec. 4	<i>July 1, 2011</i>	Repealer section

**CE**      *Joint Favorable*